

## ASX Release

### BT Investment Management Limited announces renewal of Master Relationship Agreement with Westpac

BT Investment Management Limited (BTIM) today announced that it has reached agreement with the Westpac-owned BT Financial Group (BTFG) for the renewal of the Master Relationship Agreement (MRA) relating to assets managed by BTIM for BTFG funds.

The MRA deals with the appointment of BTIM as investment manager for certain BTFG retail funds, pooled superannuation trusts and statutory funds, together with fee arrangements, termination and withdrawal rights, and other matters described in the BTIM Prospectus dated 30 October 2007.

The MRA was put in place in October 2007 and was extended in 2010 until 2015. The MRA has now been renewed for an indefinite period, subject to termination rights.

Emilio Gonzalez, Chief Executive Officer of BTIM, Emilio Gonzalez said today: "I am delighted to announce the renewal of the Master Relationship Agreement between BTIM and BTFG, our single biggest client. This agreement was a cornerstone of the arrangements between BTFG and BTIM on listing in December 2007 and continues the strong relationship between the two businesses."

Funds under management (FUM) related to the MRA totalled approximately \$17 billion as at 30 September 2015, and under the revised terms the effective management fee for the FUM declines from 32 basis points to 29 basis points, translating into a revenue impact of \$5.1 million. The new pricing becomes effective 1 October 2015.

A summary of the key terms of the renewed MRA is set out in the Appendix.

For further information on this announcement, please contact:

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## Appendix

### Material Changes to Terms of Master Relationship Agreement (MRA)

Parties	
BTIM	BT Investment Management (Fund Services) Limited (BTIMFS) and BT Investment Management (Institutional) Limited (BTIMI, which was formerly known as BT Investment Management (RE) Limited) (both wholly-owned subsidiaries of BTIM)
BTFG	BT Funds Management Limited, BT Funds Management No. 2 Limited, Westpac Financial Services Limited, Westpac Life Insurance Services Limited and Westpac Securities Administration Limited
Description	The MRA operates in conjunction with an Investment Management Agreement (IMA) between BTFG and BTIMI dated 19 October 2007 (as amended), under which BTIMI is appointed investment manager for specified BTFG retail funds, pooled superannuation trusts and statutory funds (BTFG Funds) and investments by BTFG Funds into managed investment schemes operated by BTIMFS. The original terms of the MRA and IMA were summarised in the BT Investment Management Prospectus dated 30 October 2007.
Key Terms	
Term	The term of the MRA, which was due to expire on 31 December 2015, now continues indefinitely, subject to termination rights.
Withdrawal rights	There has been no material change to BTFG's ability to withdraw FUM.
Fees	Fees are now subject to review at three yearly intervals.
Key person, portfolio manager departures	Under the previous MRA terms, BTFG had an ability to terminate the IMA in relation to Australian Equity portfolios if key investment staff ceased to be employed and were not replaced with appropriate staff. These provisions have been removed and the revised MRA no longer deals with termination rights under the IMA. The IMA allows for termination by BTFG on 5 business days' notice, consistent with industry practice.